GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:1055
ANSWERED ON:15.11.2010
ASSISTANCE FROM WORLD BANK FOR PANCHAYATS
Kataria Shri Lal Chand

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the Government has received any financial assistance from World Bank for strengthening the Panchayati Raj System in the country;

(b) if so, the details thereof;

(c) whether such financial assistance is provided for development of backward districts and;

(d) if so, the details thereof?

Answer

MINISTER OF PANCHAYATI RAJ(Dr. C. P. JOSHI)

(a) & (b): Financial assistance in the form of soft loans are received from the World Bank by the State Governments for strengthening the Panchayati Raj system. Till date the State Governments of Karnataka and West Bengal have been sanctioned financial assistance respectively to the tune of $120 million and $200 million. Moreover, Government of Bihar has been sanctioned Policy and Human Resource Development (PHRD) grant to the tune of $565,000 towards preparatory activities for a project for strengthening the Panchayati Raj system. Release of funds by the World Bank from time to time is dependent on implementation status of the projects as per terms and conditions of the agreements for financial assistance.

(c) & (d): Financial assistance from the World Bank are provided for strengthening Panchayati Raj system in the respective State through project mode. The project districts and Gram Panchayats are selected on various criteria including backwardness.